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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,)	Criminal Case No. 01CR2559H
)	
Plaintiff,)	<u>I N F O R M A T I O N</u>
)	
v.)	Title 18, U.S.C., Sec. 371 - Conspiracy to
)	Defraud the United States; Title 26, U.S.C.,
JOHN C. BYKOWSKI,)	Sec. 7206 - Subscribing to a False Tax Return;
)	Title 18, U.S.C., Sec. 2 - Aiding and Abetting
Defendant.)	
)	
)	
)	
)	

The United States Attorney charges:

ALLEGATIONS COMMON TO ALL COUNTS

1. Beginning on or about September of 1997 and continuing up to and including March of 2001, Defendant JOHN C. BYKOWSKI (hereinafter, "Defendant") was employed as an administrative assistant by a mortgage lending company that came to be known as PinnFund, U.S.A., Inc. (hereinafter, "PinnFund"), whose principal offices were located in San Diego County, California.
2. At all times during Defendant's employment at PinnFund, the Chief Executive Officer of the company was Michael J. Fanghella (hereinafter, "Fanghella").
3. At all times during Defendant's employment at PinnFund, the Chief Financial Officer of the company was John D. Garitta (hereinafter, "Garitta"), to whom Defendant principally reported.

4. In his capacity as administrative assistant, Defendant received and executed numerous requests from Fanghella and Garitta to cash checks drawn on PinnFund bank accounts.

5. At all times material to this Superseding Information, the Internal Revenue Service (hereinafter, “IRS”) was the agency of the United States Department of the Treasury responsible for administering and enforcing the tax laws of the United States.

COUNT 1

CONSPIRACY TO DEFRAUD THE UNITED STATES

1. Beginning on a date unknown to the United States Attorney and continuing to and including March 22, 2001, in the Southern District of California, and elsewhere, Defendant JOHN C. BYKOWSKI and others known and unknown to the United States Attorney unlawfully and knowingly combined, conspired, confederated, and agreed together to defraud the United States by deceitful and dishonest means by impeding, impairing, obstructing, and defeating the lawful government functions of the Internal Revenue Service, an agency of the United States, in the ascertainment, computation, assessment and collection of revenue, that is, federal individual income taxes, all in violation of Title 18 United States Code, Section 371.

THE METHODS OF THE CONSPIRACY

2. It was part of the conspiracy that Defendant JOHN C. BYKOWSKI and others, including Garitta, agreed that Defendant would cash checks made out to “CASH” against PinnFund bank accounts and deliver the cash (or cashier’s checks purchased with the cash) to various coconspirators, including Defendant himself, for their personal benefit..

3. It was further part of the conspiracy that such transactions were done in cash in order to conceal the receipt of that cash from, among others, the IRS.

4. It was further part of the conspiracy that Defendant JOHN C. BYKOWSKI and others would fail to declare to the IRS all of the income received from such cash transactions.

5. From October of 1997 through March 2001, Defendant JOHN C. BYKOWSKI cashed such checks at an average rate of 2-3 times per week. The checks Defendant negotiated were drawn on PinnFund bank accounts and frequently in the amount of \$9,000. In total, Defendant cashed in excess of \$2,500,000 in checks drawn on PinnFund accounts, resulting in a tax loss of approximately \$700,000.

OVERT ACTS

6. In furtherance of the conspiracy and to effect its objects, the following overt acts, among others, were committed in the Southern District of California, and elsewhere.

7. Defendant JOHN C. BYKOWSKI negotiated checks made out to "CASH" at Union Bank of California on the dates and in the amounts listed below:

OVERT ACT	DATE	AMOUNT
1	01/04/99	\$ 9,000.00
2	01/05/99	\$ 9,000.00
3	01/13/99	\$ 9,000.00
4	01/15/99	\$ 9,000.00
5	01/19/99	\$ 9,000.00
6	01/29/99	\$ 9,000.00
7	02/01/99	\$ 9,000.00
8	02/04/99	\$ 9,000.00
9	02/08/99	\$ 9,000.00
10	02/10/99	\$ 9,000.00
11	02/12/99	\$ 9,000.00
12	02/17/99	\$ 9,000.00
13	02/17/99	\$ 12,000.00
14	02/22/99	\$ 9,000.00
15	02/26/99	\$ 9,000.00
16	03/02/99	\$ 9,000.00
17	03/03/99	\$ 9,000.00
18	03/04/99	\$ 9,000.00
19	03/08/99	\$ 9,000.00
20	03/11/99	\$ 9,000.00
21	03/24/99	\$ 9,000.00
22	03/26/99	\$ 9,000.00
23	03/30/99	\$ 9,000.00
24	04/06/99	\$ 9,000.00
25	04/08/99	\$ 9,000.00

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OVERT ACT	DATE	AMOUNT
26	04/09/99	\$ 9,000.00
27	04/14/99	\$ 9,000.00
28	04/30/99	\$ 9,000.00
29	04/30/99	\$ 10,000.00
30	05/04/99	\$ 9,000.00
31	05/24/99	\$ 9,000.00
32	05/28/99	\$ 9,000.00
33	05/28/99	\$ 9,000.00
34	06/01/99	\$ 9,000.00
35	06/11/99	\$ 9,000.00
36	06/14/99	\$ 9,000.00
37	06/28/99	\$ 9,000.00
38	07/12/99	\$ 2,500.00
39	07/13/99	\$ 5,000.00
40	12/29/99	\$ 7,000.00
41	12/29/99	\$ 10,000.00
42	01/03/00	\$ 9,000.00
43	01/06/00	\$ 7,000.00
44	01/12/00	\$ 8,000.00
45	01/19/00	\$ 3,000.00
46	01/21/00	\$ 12,000.00
47	01/27/00	\$ 6,000.00
48	01/31/00	\$ 6,000.00
49	02/25/00	\$ 4,500.00
50	03/06/00	\$ 6,000.00
51	03/07/00	\$ 5,000.00
52	03/09/00	\$ 26,129.99
53	03/09/00	\$213,250.85
54	03/10/00	\$ 20,000.00
55	03/10/00	\$ 2,000.00

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OVERT ACT	DATE	AMOUNT
56	03/13/00	\$ 5,000.00
57	03/16/00	\$ 5,000.00
58	03/24/00	\$ 2,000.00
59	03/27/00	\$ 5,000.00
60	03/28/00	\$ 4,000.00
61	03/30/00	\$ 6,000.00
62	03/30/00	\$ 5,952.14
63	03/31/00	\$ 5,000.00
64	04/03/00	\$ 5,000.00
65	04/05/00	\$ 7,000.00
66	04/07/00	\$ 15,000.00
67	04/07/00	\$ 5,000.00
68	04/13/00	\$ 25,000.00
69	04/13/00	\$ 6,000.00
70	04/14/00	\$ 6,000.00
71	04/17/00	\$ 12,000.00
72	04/19/00	\$ 20,000.00
73	04/19/00	\$ 4,000.00
74	04/21/00	\$ 5,000.00
75	04/25/00	\$ 6,000.00
76	04/26/00	\$ 3,000.00
77	04/28/00	\$ 5,000.00
78	04/28/00	\$ 5,000.00
79	05/03/00	\$ 25,000.00
80	05/05/00	\$ 12,000.00
81	05/09/00	\$ 5,000.00
82	05/11/00	\$ 5,000.00
83	05/12/00	\$ 12,000.00
84	05/19/00	\$ 5,000.00
85	05/22/00	\$ 7,000.00

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OVERT ACT	DATE	AMOUNT
86	05/22/00	\$ 25,000.00
87	05/24/00	\$ 3,000.00
88	05/25/00	\$ 8,000.00
89	05/26/00	\$ 12,000.00
90	05/31/00	\$ 25,000.00
91	05/31/00	\$ 7,500.00
92	06/02/00	\$ 9,000.00
93	06/06/00	\$ 5,000.00
94	06/09/00	\$ 12,000.00
95	06/16/00	\$ 8,000.00
96	06/20/00	\$ 5,000.00
97	06/20/00	\$ 5,000.00
98	06/21/00	\$ 5,000.00
99	06/20/00	\$ 5,000.00
100	06/23/00	\$ 4,000.00
101	06/27/00	\$ 12,000.00
102	06/30/00	\$ 9,000.00
103	06/30/00	\$ 5,000.00
104	07/03/00	\$ 7,500.00
105	07/06/00	\$ 6,000.00
106	07/07/00	\$ 9,000.00
107	07/07/00	\$ 5,000.00
108	07/07/00	\$ 5,000.00
109	07/10/00	\$ 5,000.00
110	07/21/00	\$ 2,000.00
111	08/22/00	\$ 5,000.00
112	08/23/00	\$ 4,000.00
113	08/28/00	\$ 8,500.00
114	08/29/00	\$ 3,000.00
115	08/31/00	\$ 3,000.00

OVERT ACT	DATE	AMOUNT
116	09/01/00	\$ 5,000.00
117	09/05/00	\$ 4,000.00
118	09/07/00	\$ 7,500.00
119	01/09/01	\$ 3,500.00
120	01/11/01	\$ 5,500.00
121	01/19/01	\$ 3,000.00
122	01/26/01	\$ 6,000.00
123	01/30/01	\$ 3,000.00
124	02/02/01	\$ 20,000.00
125	02/05/01	\$ 5,000.00
126	02/06/01	\$ 4,000.00
127	02/07/01	\$ 12,000.00
128	02/07/01	\$ 7,500.00

8. During calendar year 1999, Defendant knowingly failed to report cash receipts and other benefits that resulted in his under-reporting \$25,614.25 in federal income.

9. During calendar year 2000, Defendant JOHN C. BYKOWSKI knowingly failed to report cash receipts and other benefits that resulted in his under-reporting \$89,419.50 in federal income.

All in violation of Title 18, United States Code, Section 371.

COUNT 2

SUBSCRIBING TO A FALSE TAX RETURN

On or about April 15, 2000, within the Southern District of California, Defendant JOHN C. BYKOWSKI did willfully subscribe to a false return and defeat his lawful income tax due and owing for 1999, by preparing, signing and filing with the IRS, a false and fraudulent U.S. Individual Income Tax Return (1998 Form 1040), in which he falsely stated, under penalty or perjury, that his taxable income was \$27,413 and that the tax due and owing thereon was \$4,332; whereas, as he then knew, his taxable income for 1999 was substantially greater; all in violation of Title 26, United States Code, Section 7206(1).

1 COUNT 3

2 SUBSCRIBING TO A FALSE TAX RETURN

3 On or about April 15, 2001, within the Southern District of California, Defendant JOHN C.
4 BYKOWSKI did willfully subscribe to a false return and defeat his lawful income tax due and owing
5 for 2000, by preparing, signing and filing with the IRS, a false and fraudulent U.S. Individual Income
6 Tax Return (1998 Form 1040), in which he falsely stated, under penalty of perjury, that his taxable
7 income was \$28,800 and that the tax due and owing thereon was \$4,639; whereas, as he then knew, his
8 taxable income for 2000 was substantially greater; all in violation of Title 26, United States Code,
9 Section 7206(1).

10 All in violation of Title 18, United States Code, Sections 1006 and 2.

11 DATED: _____, 2002.

12 PATRICK K. O'TOOLE
13 United States Attorney

14 KEVIN J. KELLY
15 Assistant U.S. Attorney

16
17 SANJAY BHANDARI
18 Assistant U.S. Attorney

19
20 NICHOLAS MORGAN
21 Special Assistant U.S. Attorney